

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 667 - SB 675

March 6, 2023

SUMMARY OF BILL AS AMENDED (004805): Creates the *Kevin Clauson Drug Donation Act*.

Beginning January 1, 2024, removes the authority to promulgate rules to enforce the prescription drug donation repository program from the Department of Health (DOH) and the Board of Pharmacy. Authorizes a pharmacy to elect to participate in the prescription drug repository program by providing written notice to the DOH. Requires a repository to establish standards for the inspection of prescription drugs. Establishes criteria for how donated prescription drugs and supplies should be accepted, stored, and dispensed, in compliance with all applicable federal and state laws and regulations. Requires repositories to prioritize dispensing donated prescriptions and supplies to indigent and uninsured individuals. Requires records created through the prescription drug donation repository program be retained for a period of three years.

FISCAL IMPACT OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- Based on information provided by the DOH, the proposed legislation will not have a significant impact on the policies or procedures of the department or the Board of Pharmacy.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Board of Pharmacy had a surplus of \$198,441 in FY20-21, a surplus of \$404,000 in FY21-22, and a cumulative reserve balance of \$3,693,158 on June 30, 2022.

IMPACT TO COMMERCE OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- The proposed legislation is meant to provide donated prescription drugs and supplies to individuals who are indigent or uninsured.

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- It is assumed that indigent or uninsured individuals currently work with patient assistance programs administered by pharmaceutical companies to realize prescription savings or go without their medications; therefore, it is estimated pharmaceutical companies will not experience a significant decrease in revenue or increase in expenditures.
- Pharmacies and medical facilities will utilize existing staff in implementing a drug repository program should they choose to participate; therefore, any impact to jobs is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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